

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, June 21, 2010
City Hall
100 N. Jefferson Street, Room 604
Green Bay, WI 54301
3:00 p.m.

MEMBERS PRESENT: Michael Welch-Chair; Paul Kendle- Vice Chair; Tom Diedrick; Rich Aicher; Darlene Hallet.

OTHERS PRESENT: Robyn Hallet, Matt Schampers, Rob Strong, Chip Law, DonElla Payne, Jim Swanson, Dave Swanson, Noel Halvorsen, Beverly Sanville.

APPROVAL OF MINUTES:

1. Approval of the minutes from the May 17, 2010, meeting of the Brown County Housing Authority.

M. Welch stated that at the beginning of the minutes there was the election of officers indicated by nominations but that he also recalled having a vote for the chairman and vice-chairman which are not reflected in the minutes. R. Hallet stated that this will be corrected accordingly.

A motion was made by D. Hallet, seconded by R. Aicher, to approve the minutes from the May 17, 2010, BCHA meeting with indicated corrections. Motion carried.

COMMUNICATIONS:

None.

REPORTS:

2. Report on Housing Choice Voucher Rental Assistance Program

A. Preliminary Applications

D. Payne stated that there were 157 applications received in the month of May.

B. Housing Assistance Payments

D. Payne indicated that the HAP expenses totaled \$929,320 in May.

C. Housing Assistance Unit Count

D. Payne stated that the unit count for May was 2,710.

D. Housing Quality Standard Inspection Compliance

D. Payne stated that the first inspection pass rate is at 37 percent, with a 23 percent pass rate at re-inspection, and a 40 percent fail rate. Out of 138 failed inspections, 104 were annual inspections and 33 were new units. D. Payne stated that ICS is not sure why the fail rate is so high; it has been a while since it has been that high.

E. Housing Choice Voucher Administrative Costs and HUD 52681B

C. Law stated that so far, through May, the BCHA if \$54,000 under budget.

F. Portability

D. Payne stated that there were 45 (billed) port outs, totaling \$35,222.00 and 21 port ins, totaling \$6,947.00.

G. SEMAP Monitoring Report

D. Payne stated that the SEMAP score is still high, and remains at 100 percent.

H. Report of the Housing Choice Voucher Family Self-Sufficiency Program

D. Payne stated that there were 104 participants in the FSS Program. Forty participants have opened up escrow accounts. There were no graduates for the month of May.

I. Report on the Housing Choice Voucher Home Ownership Option

D. Payne stated that there were 97 participants in May. Three new FSS contracts were initiated in May.

J. VASH Reports

D. Payne stated that there are two individuals who are already participating in the program. They are leased up and in units. There is one more participant in the process.

K. Report on Langan Investigations Criminal Background Screening and Fraud Investigations

D. Payne stated that for the month of May there were no new investigations; four previous cases were closed, however. There are three investigations still open from April, and one remains open from February. Sixteen records searches were completed in May. One hundred and fourteen new applications were processed and zero new household applications were processed.

A change has been made to the report from Langan Investigations in that it now indicates the municipality in which the applicant resides instead of simply the city mailing address.

M. Welch suggested putting together a "fact sheet", approximately four to six pages long, detailing the programs, who the BCHA serves, fraud efforts, annual reports, and what has been accomplished through the program.

OLD BUSINESS:

None.

NEW BUSINESS:**3. Review and approval of BCHA budget for Fiscal Year 2010.**

R. Hallet indicated that M. Schampers has put together the new budget, which is a few months behind since the BCHA did not have an accountant for a few months. M. Schampers stated that the majority of what drives the BCHA budget is the Housing Choice Voucher Program. The first page is a summary page. Interest is just based on interest to date for the budget. M. Schampers stated that we know what we are receiving for HAP income: we have received our amount, so it is a solid number. Administrative fee income is an estimate due to it constantly changing, but it should be fairly close. The BCHA has less FSS Homeownership because as we know, the BCHA was approved for one less position. M. Schampers indicated that the other large number would be fraud recovery: currently, year-to-date, the BCHA is at \$86,000. The reason we are only budgeting \$110,000 is because recovery from tax intercepts typically slows down around the second part of the year.

M. Schampers stated that for expenses, the BCHA is projecting about a \$350,000 increase. The biggest increase is for salary, which is approximately \$16,000. This is due to the recently created position. The next big increase will be for contract costs and then housing assistance payments, which were budgeted taking into account the attempts to lease up.

M. Schampers stated that the next page is the HCV program. R. Aicher questioned whether the employee benefits were up because of the new position. M. Schampers stated this was the reason, but also because the previous senior accountant had her health insurance through her spouse, so that amount was not included for BCHA benefits. As the new senior accountant, M. Schampers has taken the family insurance plan, increasing the total dollar amount. R. Aicher confirmed that the budget was taken into account two additional positions.

M. Welch indicated that the major items were on pages one and two and requested that M. Schampers guide the Commissioners through page two. M. Schampers stated that interest indicated is year to date, which is approximately \$4,000, which is very minor compared to the rest of the budget. The HAP income is next and the BCHA knows what it is receiving. The administrative fee incomes are as was mentioned for the first page, as is the same for the FSS Program. The Homeownership grant is an estimated \$1,000 that is received from HUD. This amount is based off of last year's grant. M. Schampers stated that fraud recovery is as was mentioned previously. The salary increase is due to N. Aderholdt's new position, as well as R. Hallet's and M. Schamper's positions.

P. Kendle questioned how the \$110,000 for fraud recovery is treated. M. Schampers stated that half of it has to go to the HAP reserve, and the other half becomes administrative dollars. The legal fees indicated are estimates.

M. Schampers stated that the reason staff training is going from \$0 to \$36,000 is due to getting R. Hallet, N. Aderholdt, and M. Schampers up to speed with all the necessary programs. R. Hallet indicated that the training that both she and N. Aderholdt are attending is for the Green Bay Housing Authority, not BCHA. However, there will be a conference for which three attendants are budgeted.

M. Schampers indicated the reason the BCHA does not have an amount listed for travel is because the only travel done in the past was for training purposes, which is included in the training budget line.

M. Schampers indicated that the BCHA is going out for proposals for audit this year. The budgeted amount was increased slightly because the audit fees typically increasing somewhat.

M. Schampers indicated the miscellaneous portion of the budget is approximately \$3,000, and that is based on previous year's experience. M. Schampers indicated that contract costs for administration is based on a formula from administrative fees. The BCHA contract costs for FSS indicates \$130,000 even though the BCHA is only receiving \$90,000. This is based on the approval of the BCHA for the third FSS position at ICS. Contract costs for IT are primarily for a new server, and partly for the BCHA accounting software. M. Schampers indicated that insurance is budgeted for a slight increase.

M. Welch questioned what the prior period adjustment was. M. Schampers stated that was to recognize cash that is reflected in the 52681B prepared by ICS, which recognizes non-fraud recovery monies and port in monies. For whatever reason, the BCHA had not been reporting those two items, so this budget is now reflecting those numbers.

R. Hallet questioned why some pages show an increase in salary and wages and other pages show a decrease. M. Schampers stated that the percentages that were being applied before were predominantly being applied to the BCHA's smaller programs so the budget has been shifted to move these percentages away from the smaller programs. R. Strong asserted that the larger programs have had their percentages bumped up.

A motion was made by P. Kendle, seconded by R. Aicher, to approve the BCHA budget for Fiscal Year 2010 as presented. Motion carried.

- 3a. Approval on NeighborWorks® Green Bay's request for Mutual Housing Association of Brown County's Project-Based Voucher Contract to be transferred to NeighborWorks® Green Bay.

R. Hallet stated that as has been previously discussed, Mutual Housing Association is going to be consolidating with NeighborWorks. One of the questions that have come up is what is going to happen with the project-based vouchers contract; both NeighborWorks and the MHA have contracts in place for project-based vouchers. R. Hallet indicated that according to transfer policy, the contract would transfer from one entity to the other, in this case from MHA to NeighborWorks.

A motion was made by P. Kendle, seconded by T. Diedrick, to approve NeighborWorks Green Bay's request for Mutual Housing Association of Brown County's Project-Based voucher contract to be transferred to NeighborWorks Green Bay. D. Hallet abstained. Motion carried.

- 3b. Discussion and action on NeighborWorks® Green Bay's request for an Amendment to the Development Agreement for the project at 610 Mather Street to reduce the amount to be returned to the BCHA from NeighborWorks® Green Bay upon the sale of this property.

A motion was made by P. Kendle, seconded by R. Aicher, to move the meeting into closed session. Motion carried.

The meeting was moved into closed session.

Closed session convened for approximately 20 minutes.

A motion was made by D. Hallet, seconded by T. Diedrick, to move the meeting back into open session. Motion carried.

M. Welch provided a summary of discussion for the closed session, indicating that the Authority has laid out parameters for the sale of the project at 610 Mather Street by NeighborWorks® Green Bay.

R. Hallet requested approval to discuss item five on the agenda, Update on MHA Consolidation, out of order due to N. Halvorsen's presence at the meeting.

A motion was made by R. Aicher, seconded by D. Hallet, to take item number five out of order. Motion carried.

5. Update on MHA Consolidation

N. Halvorsen stated that the appraisals came in for the all of the scattered sites; however, MHA is still waiting on numbers for Westbridge. The appraisal for Westbridge would have to come in substantially lower than expected to jeopardize the consolidation, so a problem is not foreseen.

N. Halvorsen indicated that the title work is complete; closing may or may not be next week Tuesday, June 29, 2010. All pieces under the MHA control have been handled accordingly.

R. Aicher questioned if there was any action necessary to be taken by the BCHA after the transaction is completed. D. Hallet stated that the MHA is planning to retain monies for expenses. N. Halvorsen added that at the previous BCHA meeting, the Authority approved MHA retaining some repaid HOME funds. N. Halvorsen indicated that the only business the MHA will have remaining is closing of the MHA as an entity and then repaying the BCHA any remaining monies hopefully by the end of 2010. However, it does not appear that the BCHA will need to take any action. N. Halvorsen concluded that while the focus has been on consolidation of the MHA and NeighborWorks, it is expected that the MHA Board will take action to officially disband.

A motion was made by D. Hallet, seconded by T. Diedrick, to return to the order of business as outlined in the agenda. Motion carried.

INFORMATIONAL:

None.

BILLS:

A motion was made by R. Aicher, seconded by D. Hallet, to accept and approve the bills as presented. Motion carried.

FINANCIAL REPORT:

The Board agreed that the summary provided is good and should continue to be provided monthly; however, the detail reports should only be provided quarterly until further notice.

STAFF REPORT:

4. Update on creation of limited term fulltime position to assist Housing Administrator.

R. Hallet stated that this process is complete; N. Aderholdt has been hired. The position is titled limited term based on the need for it.

A motion was made by D. Hallet, seconded by R. Aicher, to adjourn the meeting. The meeting was adjourned at 4:40 p.m. Motion carried.

: naa

Brown County Housing Authority
List of Bills
June 21, 2010

<u>Description</u>	<u>Amount</u>
Conversion Program	
Section 8 Program:	
Green Bay City Treasurer (Mar 10, Printing & Postage)	66.33
Green Bay City Treasurer (Apr 10, Printing & Postage)	139.70
Green Bay City Treasurer (Mar 10, Purchasing Card)	(6.07)
Green Bay City Treasurer (Apr 10, Purchasing Card)	97.28
Vande Castle S.C. (Legal Services - Fraud Recovery)	360.00
Vande Castle S.C. (Legal Services - Fraud Recovery)	40.00
Green Bay City Treasurer (Mar 10, Salaries & Fringes)	4,425.10
Amanda Egge (Refund Duplicate payment)	343.50
Blackbaud (Maintenance Plan - 2010 to 2011)	1,921.25
Vande Castle S.C. (Legal Services - Fraud Recovery)	500.00
80-81 CDBG Program:	
Green Bay City Treasurer (Mar 10, Salaries & Fringes)	310.17
NeighborWorks Green Bay (Downpayment Closing Cost Assistance-802 N. Ashland)	5,500.00
NeighborWorks Green Bay (Downpayment Closing Cost Assistance-535 Saint George)	5,500.00
84 CDBG Program:	
WHNCP Program:	
B.C. Rental Rehab Loans:	
Revenue Bond Program:	
WHEDA Program:	
HCRI Program:	
HOME Program:	
HOME Program-Rpd CHDO Qualify:	
Total Bills	\$ 19,197.26

**Brown County Housing Authority
Status of Funds**

Account Title	YTD Actual	HCRI	Annual Budget
REVENUE			
State Revenue			
Loan Repayments			
Interest on Investments	124.79		-
TOTAL REVENUE	<u>124.79</u>		<u>-</u>
EXPENSES			
Salaries and Wages			-
Employee Benefit Contributions			-
Audit Fees	-		0.00
Misc			
Rent Assistance			
Security Deposit Assistance			
Down Payment Assistance			
Closing Cost Assistance	-		-
TOTAL EXPENSES	<u>-</u>		<u>-</u>
SURPLUS			
Reserved Surplus - 12/31/08	176,375.65		176,375.65
Provision for Reserve	124.79		-
TOTAL SURPLUS	<u>176,500.44</u>		<u>176,375.65</u>

The credit balance in this reserve account shall be used for low-income housing purposes consistent with this agreement. If at anytime changes in the use of program income are considered, the contractor will submit to the Department for approval a plan detailing the proposed uses of program income. Should the Contractor decide, following grant closeout, to discontinue using program income for such purposes, it further agrees to return the program income balance, and any additional program income accrued, to the Department within 30 working days from the end of each calendar year.